THE FOURTH DAY.

Thursday, the 5th March 1931.

The Assembly met again at 11-30 A. M. on Thursday, the 5th March, 1931, the Dewan presiding.

50. Economic Development.

MR. P. R. PARAMESVARAN PILLAI (*Kottarakara taluk*) said that the economic condition of the people was unsatisfactory. There were several articles of export which could not be sent out of the country for want of good markets. Consequently, failure of *chitties* and banks was becoming a common occurrence. The general economic condition was so unsatisfactory that to the average citizen it was becoming difficult even to meet the expenses of the elementary education of children.

The financial condition of the Government was not much better. The revenue for 1105 had fallen by Rs. 4 lakhs, compared with that of the previous year, while the expenditure had risen by Rs. 12 lakhs. Adequate funds were not available for being spent on the Development departments and on nation-building activities. The reply given by Government to the suggestion made in a previous session of the Assembly that the pay of the Stationary Magistrates should be enhanced clearly showed that the Government were puzzled as to how they were to make both ends meet. The temperance agitation added to the financial difficulties of the Government. Government were therefore constrained to cancel the allotments provided for works of public utility.

The causes of the decline in the material well-being of the people were quite apparent. The inelastic economic resources, which did not keep pace with the natural increase in population, the prevailing system of education, which was literary rather than vocational, and the growth of motor traffic, which was responsible for a good deal of the people's wealth being drained out of the country, were factors which contributed to that result. The Industries department failed to arouse popular interest in indigenous industries, nor did it devote attention to the discovery and development of new and profitable ones. Popular control over public expenditure was ineffective. Expenditure therefore easily outran the revenue.

The member made the following suggestions for the economic development of the country :—

(i) Industries should be developed and encouraged.
(ii) The growth of motor traffic should be checked.
(iii) A duty should be levied on timber exported from the country.
(iv) The State forests should be made to yield better revenue.
(v) The tariff rates on copra and pepper should be reduced.
(vi) Currency should be stabilised.
(vii) Extravagant expenditure should be stopped.

The member concluded by saying that, though he desired to dwell a little more on the subject, he could not do so for want of time.

DEWAN'S REPLY: Mr. Parameswaran Pillai. As regards that last statement of yours, I regret your having said that after you had as a matter of fact been given more than five minutes above the time usually allotted.

In regard to the remedies you have suggested, it is not possible for me to say how far they are practicable, but, I may assure you that they will receive the best consideration of the Government and I daresay, the committee that is going to be constituted will consider them.

51. Commercial Development.

MR. S. EASVARAMURTHIA PILLAI (*Trading classes, Trivandrum*) said that in the existing condition of the country it was quite necessary to introduce commercial subjects in schools and colleges, as in the schools and colleges of the Bombay Presidency. The member stressed particularly the need for the introduction of those subjects, because it seemed to him to be the only policy which afforded the prospect of immediate and substantial relief of the unemployment question. In many parts of the State, the people mainly depended upon trade for their maintenance, following it as their ancestral profession. Their children possessed the instinct for trade, and what was required was scientific training.

The speeding up of commercial litigation was a subject which was engaging the attention of the Law's Delays Commissioner. But no time should be lost in prescribing remedies for avoiding delay in the disposal of commercial cases, as those cases affected to the daily income of merchants.

The member then dealt with the difficulties experienced by the merchants in regard to the return of cash and ledger books filed in courts along with their plaints. The accounts were not returned until the cases were disposed of. There were several instances in which they were unduly delayed even after the disposal of the cases. A general order to avoid such delays was very necessary as the accounts were prepared in the daily course of business and had therefore to be referred to daily in order to institute legal proceedings in time and to keep transactions current.

The Income Tax Inspectors periodically visited places of business of traders and merchants and, after examining the accounts kept by them, returned to their offices taking with them all the information required for a correct assessment of the Government's dues. But very often such visits were followed by an order of other officers that the merchants should take the same accounts and other records to their offices for further examination. The poor merchants had to leave their shops to the care of irresponsible servants and spend their time in the premises of the offices, awaiting the convenince of the examiners. If the subsequent verification could be done by the Inspector himself or by any